

## 2320 Department of Real Estate

The mission of the Department of Real Estate is to protect the public in real estate transactions and provide related services to the real estate industry.

### 3-YR EXPENDITURES AND POSITIONS (Summary of Program Requirements)

	Positions			Expenditures		
	2007-08	2008-09	2009-10	2007-08*	2008-09*	2009-10*
10 Licensing and Education	77.6	72.8	72.8	\$10,242	\$9,385	\$9,532
20 Enforcement and Recovery	197.7	200.4	200.4	26,982	28,239	28,577
30 Subdivisions	62.5	62.8	62.8	6,499	7,050	7,139
40.10 Administration	49.1	53.1	53.1	6,641	7,597	8,498
40.20 Distributed Administration	<u>-49.1</u>	<u>-53.1</u>	<u>-53.1</u>	<u>-6,641</u>	<u>-7,504</u>	<u>-8,405</u>
<b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b>	<b>337.8</b>	<b>336.0</b>	<b>336.0</b>	<b>\$43,723</b>	<b>\$44,767</b>	<b>\$45,341</b>
<b>FUNDING</b>				<b>2007-08*</b>	<b>2008-09*</b>	<b>2009-10*</b>
0317 Real Estate Fund				\$43,532	\$44,332	\$44,906
0995 Reimbursements				<u>191</u>	<u>435</u>	<u>435</u>
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>				<b>\$43,723</b>	<b>\$44,767</b>	<b>\$45,341</b>

### LEGAL CITATIONS AND AUTHORITY

#### DEPARTMENT AUTHORITY

Business and Professions Code, Division 4, Parts 1 and 2.

### MAJOR PROGRAM CHANGES

- An increase of \$1 million special fund to relocate the Sacramento headquarters to a new building. The relocation is necessary due to building inadequacies and an expiring lease.

### DETAILED BUDGET ADJUSTMENTS

	2008-09*			2009-10*		
	General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
<b>Workload Budget Adjustments</b>						
<b>Workload Budget Change Proposals</b>						
• Electronic Examination Project (EEP)	\$-	\$-	-	\$-	\$-	-
<b>Totals, Workload Budget Change Proposals</b>	<b>\$-</b>	<b>\$-</b>	<b>-</b>	<b>\$-</b>	<b>\$-</b>	<b>-</b>
<b>Other Workload Budget Adjustments</b>						
• Various Baseline Adjustments	\$-	\$26	-	\$-	-\$400	-
<b>Totals, Other Workload Budget Adjustments</b>	<b>\$-</b>	<b>\$26</b>	<b>-</b>	<b>\$-</b>	<b>-\$400</b>	<b>-</b>
<b>Totals, Workload Budget Adjustments</b>	<b>\$-</b>	<b>\$26</b>	<b>-</b>	<b>\$-</b>	<b>-\$400</b>	<b>-</b>
<b>Policy Adjustments</b>						
• Headquarters Office Relocation	\$-	\$-	-	\$-	\$1,000	-
<b>Totals, Policy Adjustments</b>	<b>\$-</b>	<b>\$-</b>	<b>-</b>	<b>\$-</b>	<b>\$1,000</b>	<b>-</b>
<b>Totals, Budget Adjustments</b>	<b>\$-</b>	<b>\$26</b>	<b>-</b>	<b>\$-</b>	<b>\$600</b>	<b>-</b>

### PROGRAM DESCRIPTIONS (Program Objectives Statement)

#### 10 - LICENSING AND EDUCATION

The objective of the Licensing Program is to ensure that individuals who wish to engage in real estate business and act in the capacity of, or advertise as, a real estate broker or salesperson within California meet specified qualifications.

#### 20 - ENFORCEMENT AND RECOVERY

The objective of this program is to investigate the actions of any person acting in the capacity of a real estate licensee,

\* Dollars in thousands

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perform financial compliance audits of licensees and subdividers, and administratively prosecute violations of the Real Estate Law and Subdivided Lands Law.

### 30 - SUBDIVISIONS

The Subdivisions Program protects the public against fraud and misrepresentation in the sale or lease of subdivided land through the issuance of public reports which disclose vital information to prospective purchasers of subdivision interests.

### 40 - ADMINISTRATION

The Administration Program provides support services to the department's programs through the Fiscal and Business Services Section, Information Technology Section, and Human Resources Section.

#### DETAILED EXPENDITURES BY PROGRAM (Program Budget Detail)

		2007-08*	2008-09*	2009-10*
<b>PROGRAM REQUIREMENTS</b>				
<b>10</b>	<b>LICENSING AND EDUCATION</b>			
	State Operations:			
0317	Real Estate Fund	\$10,190	\$9,100	\$9,247
0995	Reimbursements	52	285	285
	<b>Totals, State Operations</b>	<b>\$10,242</b>	<b>\$9,385</b>	<b>\$9,532</b>
<b>PROGRAM REQUIREMENTS</b>				
<b>20</b>	<b>ENFORCEMENT AND RECOVERY</b>			
	State Operations:			
0317	Real Estate Fund	\$26,982	\$28,239	\$28,577
	<b>Totals, State Operations</b>	<b>\$26,982</b>	<b>\$28,239</b>	<b>\$28,577</b>
<b>PROGRAM REQUIREMENTS</b>				
<b>30</b>	<b>SUBDIVISIONS</b>			
	State Operations:			
0317	Real Estate Fund	\$6,499	\$7,050	\$7,139
	<b>Totals, State Operations</b>	<b>\$6,499</b>	<b>\$7,050</b>	<b>\$7,139</b>
<b>PROGRAM REQUIREMENTS</b>				
<b>40.10</b>	<b>ADMINISTRATION</b>			
	State Operations:			
0317	Real Estate Fund	\$6,502	\$7,447	\$8,348
0995	Reimbursements	139	150	150
	<b>Totals, State Operations</b>	<b>\$6,641</b>	<b>\$7,597</b>	<b>\$8,498</b>
<b>PROGRAM REQUIREMENTS</b>				
<b>40.20</b>	<b>DISTRIBUTED ADMINISTRATION</b>			
	State Operations:			
0317	Real Estate Fund	-\$6,641	-\$7,504	-\$8,405
	<b>Totals, State Operations</b>	<b>-\$6,641</b>	<b>-\$7,504</b>	<b>-\$8,405</b>
<b>TOTALS, EXPENDITURES</b>				
	State Operations	43,723	44,767	45,341
	<b>Totals, Expenditures</b>	<b>\$43,723</b>	<b>\$44,767</b>	<b>\$45,341</b>

#### EXPENDITURES BY CATEGORY (Summary By Object)

	1 State Operations	Positions			Expenditures		
		2007-08	2008-09	2009-10	2007-08*	2008-09*	2009-10*
PERSONAL SERVICES							
	Authorized Positions (Equals Sch. 7A)	337.8	351.7	351.7	\$18,752	\$19,723	\$20,143
	Estimated Salary Savings	-	-15.7	-15.7	-	-896	-896
	<b>Net Totals, Salaries and Wages</b>	<b>337.8</b>	<b>336.0</b>	<b>336.0</b>	<b>\$18,752</b>	<b>\$18,827</b>	<b>\$19,247</b>

\* Dollars in thousands

## 2320 Department of Real Estate - Continued

1 State Operations	Positions			Expenditures		
	2007-08	2008-09	2009-10	2007-08*	2008-09*	2009-10*
Staff Benefits	-	-	-	6,577	7,541	7,375
<b>Totals, Personal Services</b>	<b>337.8</b>	<b>336.0</b>	<b>336.0</b>	<b>\$25,329</b>	<b>\$26,368</b>	<b>\$26,622</b>
OPERATING EXPENSES AND EQUIPMENT				\$16,590	\$15,399	\$15,719
SPECIAL ITEMS OF EXPENSE				\$1,804	\$3,000	\$3,000
<b>TOTALS, POSITIONS AND EXPENDITURES, ALL FUNDS (State Operations)</b>				<b>\$43,723</b>	<b>\$44,767</b>	<b>\$45,341</b>

## DETAIL OF APPROPRIATIONS AND ADJUSTMENTS (Reconciliation with Appropriations)

1 STATE OPERATIONS	2007-08*	2008-09*	2009-10*
<b>0317 Real Estate Fund</b>			
APPROPRIATIONS			
001 Budget Act appropriation	\$46,169	\$44,306	\$44,906
Allocation for employee compensation	754	37	-
Adjustment per Section 3.60	-64	-11	-
Adjustment per Section 15.25	-32	-	-
<b>Totals Available</b>	<b>\$46,827</b>	<b>\$44,332</b>	<b>\$44,906</b>
Unexpended balance, estimated savings	-3,295	-	-
<b>TOTALS, EXPENDITURES</b>	<b>\$43,532</b>	<b>\$44,332</b>	<b>\$44,906</b>
<b>0995 Reimbursements</b>			
APPROPRIATIONS			
Reimbursements	\$191	\$435	\$435
<b>TOTALS, EXPENDITURES, ALL FUNDS (State Operations)</b>	<b>\$43,723</b>	<b>\$44,767</b>	<b>\$45,341</b>

## FUND CONDITION STATEMENTS

	2007-08*	2008-09*	2009-10*
<b>0317 Real Estate Fund<sup>s</sup></b>			
BEGINNING BALANCE	\$50,198	\$36,943	\$18,842
Prior year adjustments	520	-	-
Adjusted Beginning Balance	\$50,718	\$36,943	\$18,842
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:			
123400 Real Estate Examination Fees	3,079	1,442	1,011
123500 Real Estate License Fees	17,686	15,968	17,279
123600 Subdivision Filing Fees	5,418	5,576	5,576
125700 Other Regulatory Licenses and Permits	277	277	250
141200 Sales of Documents	47	47	50
142500 Miscellaneous Services to the Public	185	185	200
150300 Income From Surplus Money Investments	2,037	1,900	1,400
161000 Escheat of Unclaimed Checks & Warrants	27	28	28
161400 Miscellaneous Revenue	719	500	500
164300 Penalty Assessments	323	350	300
Total Revenues, Transfers, and Other Adjustments	\$29,798	\$26,273	\$26,594
Total Resources	\$80,516	\$63,216	\$45,436
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:			
0840 State Controller (State Operations)	41	42	-
2320 Department of Real Estate (State Operations)	43,532	44,332	44,906

\* Dollars in thousands

**2320 Department of Real Estate - Continued**

	<u>2007-08*</u>	<u>2008-09*</u>	<u>2009-10*</u>
Total Expenditures and Expenditure Adjustments	\$43,573	\$44,374	\$44,906
FUND BALANCE	\$36,943	\$18,842	\$530
Reserve for economic uncertainties	36,943	18,842	530

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\* Dollars in thousands